

**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION OF OIL, GAS AND MINING**  
1594 West North Temple - Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
Telephone: (801) 538-5291  
Fax: (801) 359-3940

**LARGE MINING OPERATIONS 2015 PROGRESS REPORT**  
**January 1, 2015 to December 31, 2015**

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

1. Mine Permit Number: *M/045/0004*
2. Mine Name: *Pine Canyon Reclamation*
3. Name of Operator/Permittee: *Kennecott Utah Copper LLC (KUC)*  
Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention.

4. Mine Location:  
*S1/2 SW1/4, Section 17;*  
*N1/2 NW1/4, W1/2 NE1/4, SE1/4 NE1/4, E1/2 SE1/4 Section 20;*  
*SW1/4 SW1/4, Section 21;*  
*W1/4 NW1/4, Section 28;*  
*NE1/4 NE1/4, Section 29;*  
Township 3 South, Range 3 West

5. Report the gross amount of ore mined and waste moved, and the disposition of the materials (onsite stockpiles, sold, waste pile, regraded, etc.):

Gross Ore Mined	0	Tons
Waste Material Moved	0	Tons
New Disturbance	0	Acres during 2015
Area Reclaimed	0	Acres during 2015
Total Disturbed Area	17.3	Acres*

\*Total mine disturbance from the beginning of mining operations through the end of 2014.

Was the ore shipped off site? If not, where is the ore located?

*No ore was generated or shipped off site. The mine was last active in 1983. Kennecott Utah Copper Corp. purchased the inactive property from Anaconda Minerals Co. in 1985.*

Where is the waste located?

*All waste (i.e. waste rock) is located on site.*

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE for an application for full or partial bond/site release).

*No reclamation work was performed during the past year. The only disturbed acreage remaining in Pine Canyon are those sites identified in the 1988 reclamation plan that were left in place for long term use and cover an area of approximately 17.3 acres. These sites include the Pine Canyon tunnel portal, concrete flume, production shaft head frame, service shaft, access road, warehouse shop, culinary water system with water supply wells, power line to wells, fresh water tank and a small waste rock pile adjacent to the head frame which was left un-reclaimed due to the steep grade.*

*Water is pumped out of the Carr Fork Service Shaft and piped through the Pine Canyon/Parvenu Tunnel to the Bingham Canyon Mine where it is managed through established water collection systems. The water is being removed as part of the general pit dewatering program at the Bingham Canyon Mine and for use as process water at the Copperton Concentrator. The only other work was general systems maintenance on electrical and pumping equipment.*

7. **Include an updated map depicting surface disturbance and reclamation performed during the year**, prepared in accordance with Rule R647-4-105.

*Although there have been no significant changes since 1988, a map showing the remaining Pine Canyon facilities is attached (Map 454-T-0235).*

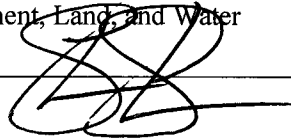
**I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.**

Name (Typed or Print): *Steve Schnoor*

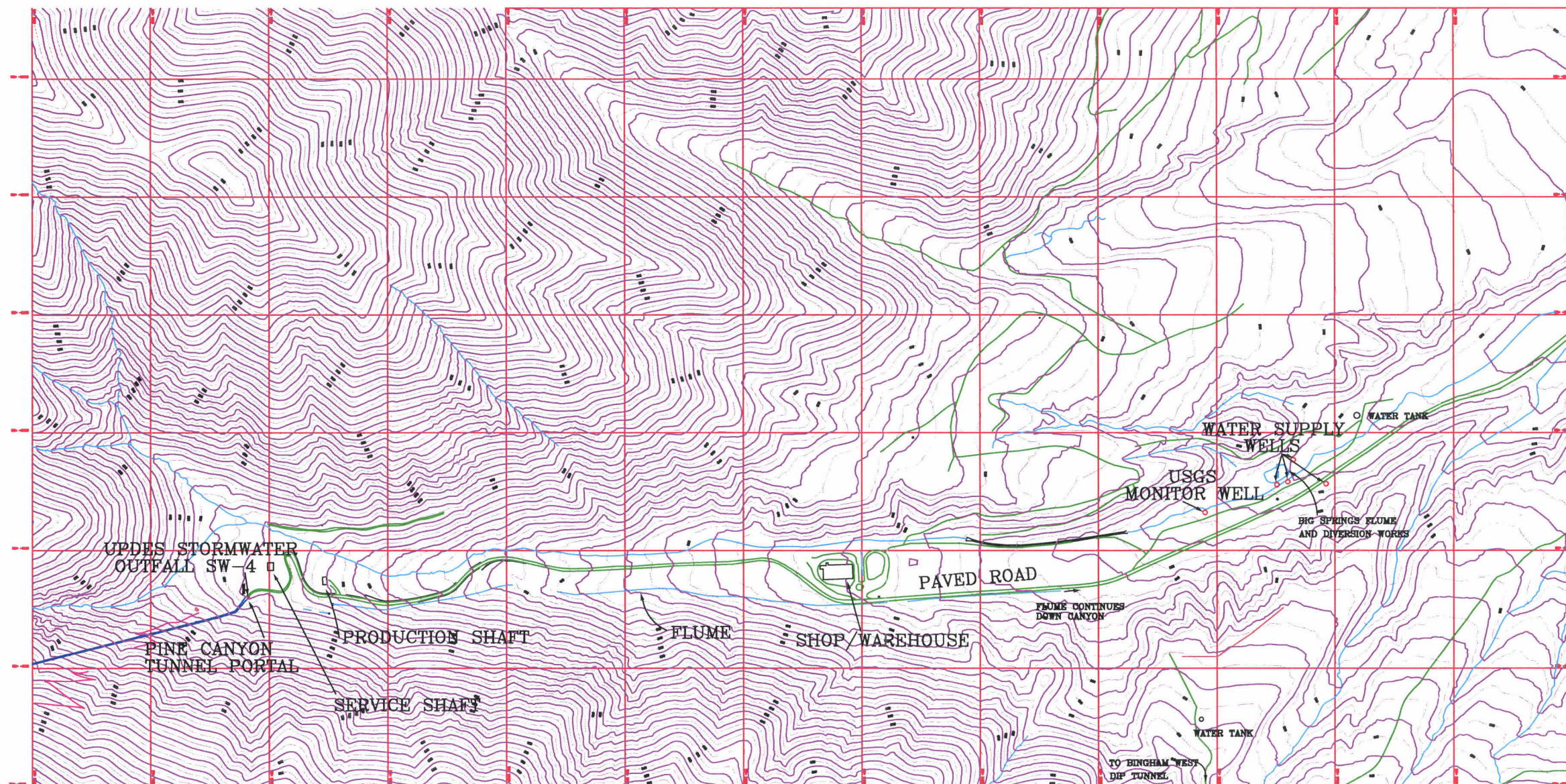
Title of Operator: Manager – Environment, Land, and Water

Signature of Operator: \_\_\_\_\_

Date: **January 29, 2016**







○ PRODUCTION WELL  
APPROXIMATE LOCATION



GRAPHIC SCALE  
500 0 250 500 1000  
( IN FEET )

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DIV. OF OIL, GAS & MINING

STRATEGIC RESOURCES GROUP		KENNECOTT UTAH COPPER	
SCALE: 1"=500'	DATE	PINE CANYON REMAINING FACILITIES	
DESIGNED BY VP	3/2006		
DRAWN BY JI	3/2006		
CHECKED BY VP	3/2006		
PROJECT ENGINEER			
PROJECT MANAGER VP		Job No. ---	Dwg. No. 454-T-0235 REV 001



M&RP	PLANT	AREA / PROJECT	2015										Additional									
			Planned <sup>1,3</sup>																			
			BAT	Experimental	Demolition	Status	% Complete				\$ Expenditure <sup>2</sup>	BAT	Experimental	Demolition	Status	% Complete				\$ Expenditure <sup>2</sup>		
							Q1	Q2	Q3	Q4						Q1	Q2	Q3	Q4			
M/035/0002	Bingham Canyon	South End Dumps	(1) Maintain/Enhance Storm Water Controls in newly-constructed basins. (2) Remove top soil/growth media from several of the drainages associated with the South Dumps. (3) Place additional mine waste rock at the base of the South Dumps to address past storm water issues.				(1) 35% (3) 25%	(1) 70% (3) 50%	(1) 90% (3) 75%	(1)100% (2) 0% (3) 100%	\$ 721,510					(1) 25% (2) 25%	(1) 50% (2) 50%	(1) 75% (2) 75%	(1) 100% (2) 100%			
M/035/0002	Bingham Canyon	Store and Release Cover (Keystone)		(1) Continue to collect meteorological and infiltration data from control site (2) Decommission Keystone Control site according to Mine Plan			(1) 25%	(1) 50%	(1) 75%	(1) 100% (2) 100%												
M/035/0002	Bingham Canyon	Reclamation Quality Assessment and Program		(1) Enhance mapping of reclaimed areas (2) Field verification/inspection of 80% of reclaimed areas (3) Field testing of statistical methodology for success and failure				(1) 10% (2) 50% (3) 40%	(1) 40% (2) 100% (3) 40%	(1) 100% (2) 100% (3) 100%												
M/035/0003	Bingham Canyon	East Waste Rock Expansion		(1) Salvage and stockpile native soils associated with the planned placement of additional waste rock at the base of the East Dumps (2) Place additional waste rock at the base of the East Dumps.			(1) 25% (2) 0%	(1) 50% (2) 0%	(1) 75% (2) 50%	(1) 100% (2) 100%	-									-		
M/035/0002	South Tailing	Noxious Weed Treatment	Spot treatment for noxious weeds					50%	100%	100%												
M/035/0002	South Tailing	Enhancement of Existing Reclamation	Reclamation treatment and monitoring of 50 acres on the South Impoundment that was previously disturbed by a fire. Various test plots were established.					50%	75%	100%												
M/035/0002	South Tailing	Various Test Plots & Established Vegetation at the South Tailings Impoundment and Various Facilities		Vegetation Monitoring (1) Various test plots associated with South Tailings and various facilities  (2) Vegetation condition monitoring across property (native and reclaimed)			(1) 20% (2) 25%	(1) 30% (2) 50%	(1) 30% (2) 75%	(1) 20% (2) 100%												
M/035/0009	Barneys Canyon	Closure Activities	Includes Engineering/Design of reclamation and closed facilities, surveying, decommissioning, storm water control during closure, monitor well installation, seep water capture and conveyance, maintenance of site during closure.		Decommissioning of facilities.		5%	20%	35%	100%	\$ 3,101,960						(1) 0% (2) 0%	(1) 75% (2) 0%	(1)100% (2) 100%	\$ 1,209,308		
M/035/0009	Barneys Canyon	Noxious Weed Treatment	Spot treatment for noxious weeds					(1) 50% (2) 50% (3) 50%	(1) 100% (2) 100% (3) 100%	(1) 100% (2) 100% (3) 100%	\$ -											
M/035/0011	Concentrator	Noxious Weed Treatment	Spot treatment for noxious weeds					50%	100%	100%												
M/035/0015	North Tailing (Kennecott Utah Copper Tailing)	Reclamation of North Slope and East Abutment	Reclamation of 68 acres along the North Slope W21-E22 and East Abutment				0%	5%	90%	5%	\$ 2,723,270											
M/035/0015	North Tailing (Kennecott Utah Copper Tailing)	Reclamation Maintenance	Placement of secondary fertilizer on 44 acres on the North Impoundment. Apply biosolids and wood chips to 27 acres along the east abutment, treat 19 acres with limestone on the north slope.				40%	40%	0%	20%	\$ 30,670											
M/045/0004	Carr Fork, Pine Canyon	Entire	None currently planned																			

<sup>1</sup> 2015 Board Presentation and/or 2015 Reclamation Activities Plan

<sup>2</sup> Expend a minimum average, of \$50,000 – 1978 dollars per year for each three year period, in maintaining a program of experimentation and in the application of BAT toward rehabilitation of land.

Mine BAT/Rec includes rental, maintenance and operation of equipment, seed/seedling, fertilizer/mulch/limestone application and purchase.

<sup>3</sup> Information incorporates GHG reclamation activities assessment

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Kennecott Utah Copper  
4700 Daybreak Parkway  
South Jordan, Utah 84095  
801-569-7128 (o)  
801-569-7192 (f)

Steve Schnoor  
Manager – Environment, Land, and Water

January 29, 2016

Mr. Paul Baker, Minerals Program Manager  
Division of Oil, Gas & Mining  
Utah Department of Natural Resources  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

Attn: Ms. Leslie Heppler

**Re: Large Mining Operations 2015 Annual Report  
January 1, 2015 to December 31, 2015  
M/045/0004  
Pine Canyon Mine**

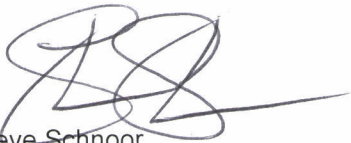
Dear Mr. Baker:

Please find attached Form MR-AR for permit number M/045/0004, Pine Canyon Mine.

KUC is also providing updated information regarding mining activities performed in 2015 (Attachment A) not specifically addressed on Form MR-AR for M/045/0004.

If you have any questions about these annual reports, please contact Trevor Heaton at 801-563-1514.

Sincerely,



Steve Schnoor  
Manager – Environment, Land, and Water

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DIV. OF OIL, GAS & MINING

Attachment A

**Title:**

Update of Mining Activities Related to Pine Canyon Mine Operations (M/045/0004)

**Context:**

The division has been briefed in various capacities throughout the year regarding new and/or continued mining activities related to the Pine Canyon Mine operation.

**Purpose:**

The intent of this update is to provide the division with a brief summary of mining related activities completed or ongoing throughout the year.

**Summary of Activities (not addressed on Form MR-AR):**

- KUC is scheduled to complete a surety cost basis update for M-045-0004 by Q4 2016.